



RUSHIL

DECOR LIMITED

WE'LL MAKE IT

Investor Presentation
Q1 FY23



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Management Comment



Commenting on the results Mr. Krupesh Thakkar, Chairman said –

“We are happy to announce that the Company has produced excellent set of numbers for Q1 FY23 on the back of enormous efforts put in by the team. We have been striving to increase the capacity utilisation at AP plant and at the same time have been focused on reducing the costs and increasing efficiencies. Both have been crossing set milestones gradually and this quarter is reflective of the same.

Our other focus has been to gradually increase our exports and enhance the value-added contribution. I am delighted to state that our strategies have been fructifying.

Now we plan to move into next leg of growth for which we have announced fund raising.

I would like to thank the entire team of Rushil, as well as all our stakeholders, whose faith and efforts enable us to stay focused and generate better results.”



**Company
Snapshot**



A Snapshot of our Company

1 One of the leading player in manufacturing Decorative Laminate Sheets and Medium Density Fibre Boards (MDF) in India

- ⤴ 4 generations in Business of Designing
- ⤴ 120 VIR Studios across India

2 Strong Business Segments

- ⤴ One of the Largest player in Laminates segment – present with 2 brands with 1200+ designs/SKUs
- ⤴ India's 3rd largest manufacturer of MDF boards – present with 4 brands

3 Dynamic & Experienced Leadership

- ⤴ Strong management team with 30 years of rich experience in Industry
- ⤴ Dedicated and skilled employee base of over 700+

4 State-of-the-art Manufacturing Facilities



- ⤴ Laminates – 3 units at Gandhinagar, Gujarat
- ⤴ MDF – 1 unit at Karnataka and 1 unit at Andhra Pradesh

5 Strong Branch & Dealer Network

- ⤴ Branch & Consignment Agents – 12; Direct Distributors - 540+; Retailers/Dealers – 4000+
- ⤴ Exporting Countries - 47



Segment Highlights - Laminates

Unit	3 Units
Location	Gujarat
Capacity	34.92 lakh sheets per annum
Utilization	Average FY22 – 80% Q1FY23 – 83%
Brands	 

Network

80+ Distributors

7 Consignment stockists

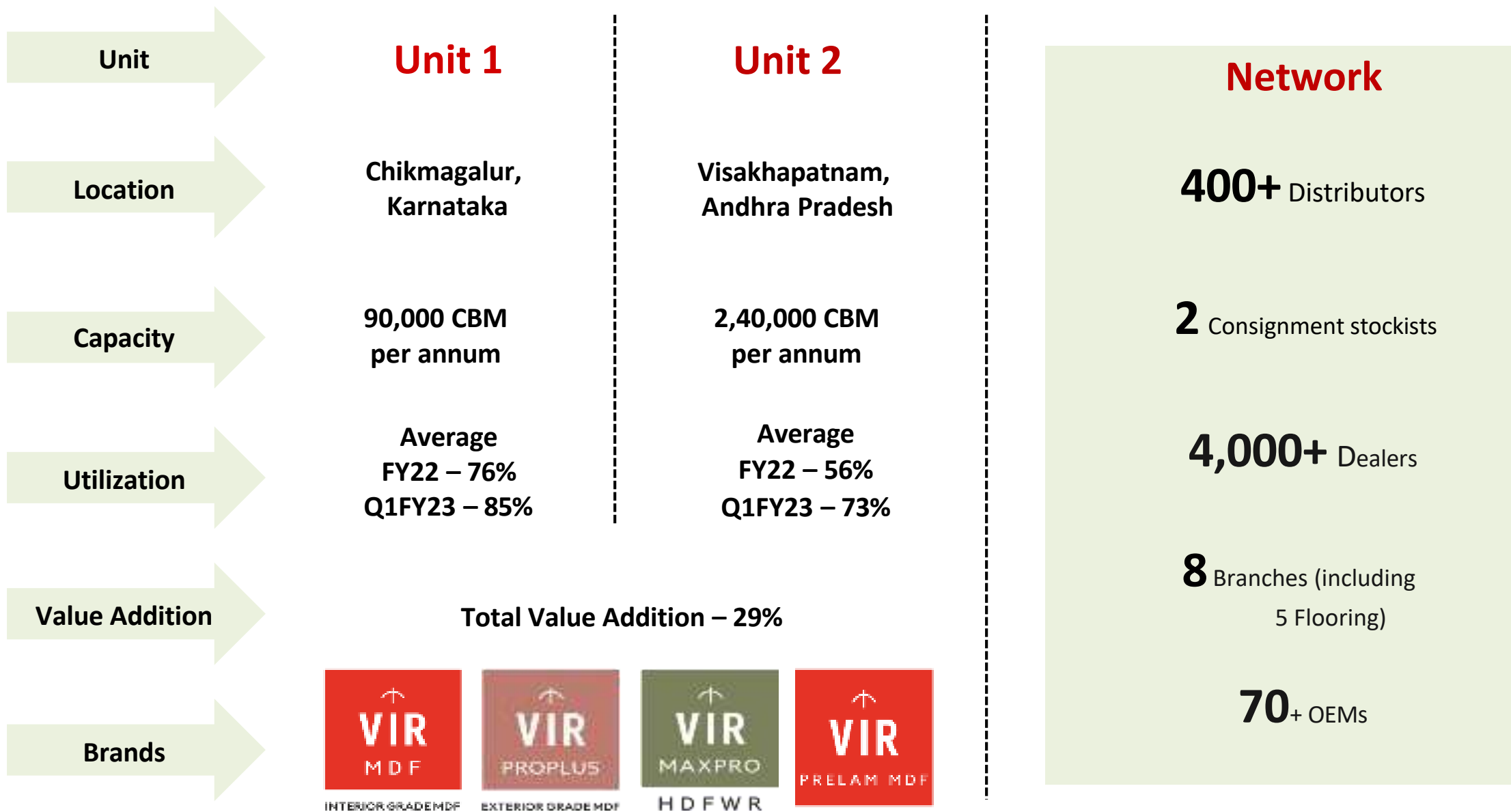
1 Depots

8 Branches

1,600 Dealers

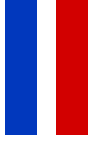


Segment Highlights - MDF

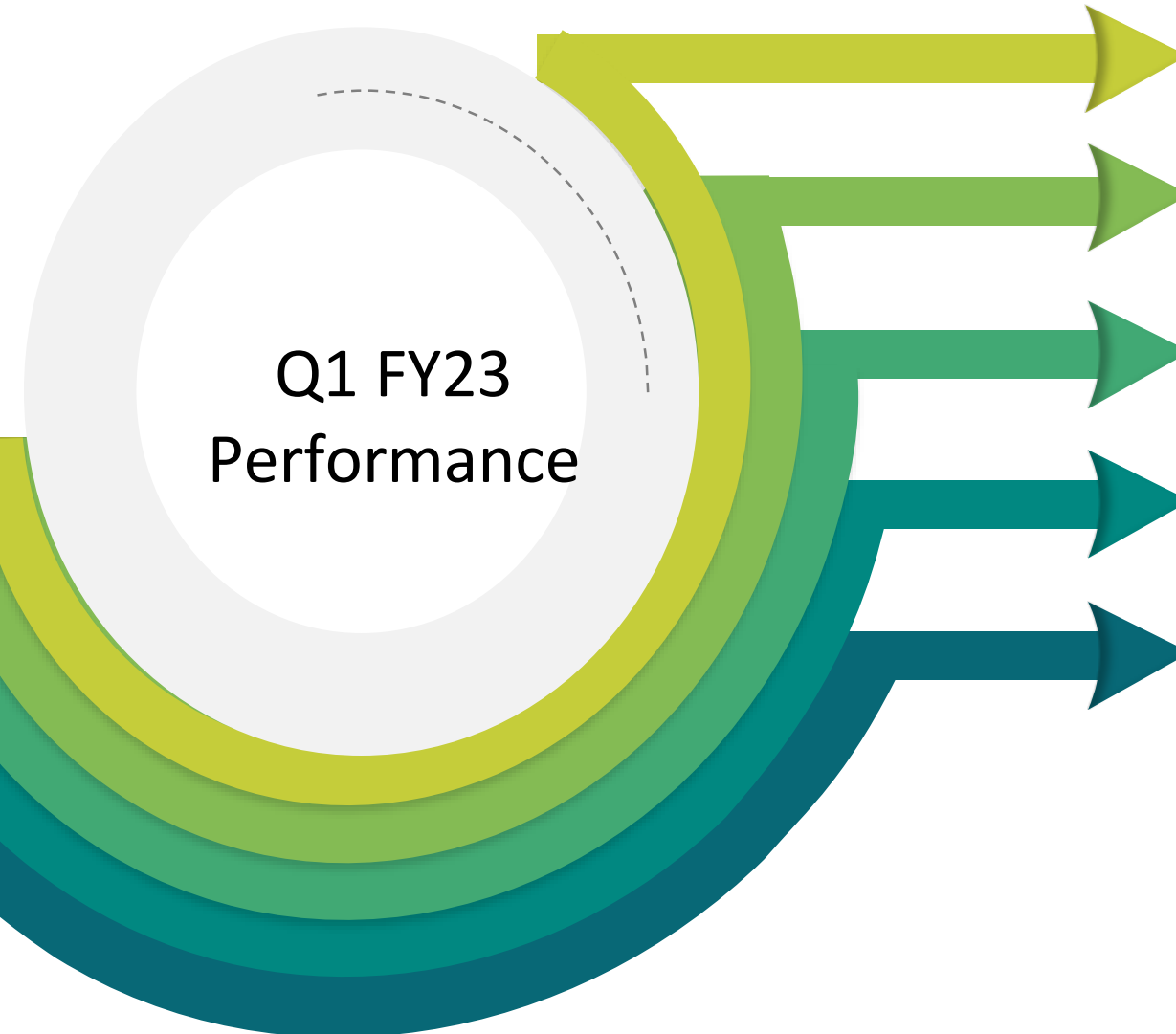


A modern living room interior with a large white curved chair in the foreground, a dark wood TV unit with a television, and a large window in the background. A white circular overlay is positioned in the center-right of the image.

Q1 FY23
Financial
Highlights



Performance Highlights



Q1 FY23
Performance

Strong volume growth on back of higher capacity utilisation & incremental exports

Improvement in Domestic and Export Realisations

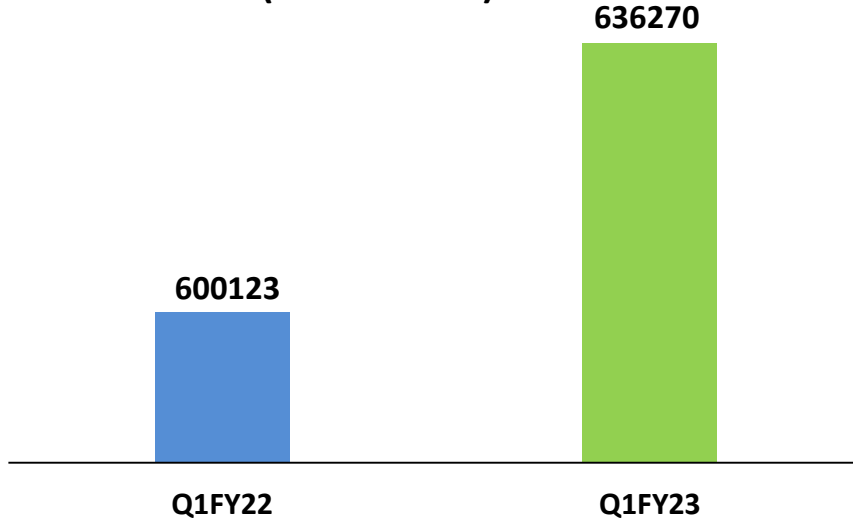
Significantly higher value addition vis-à-vis same quarter last year – 29% in Q1 FY23

Higher economies of scale for AP plant (73%) and improvement in cost efficiencies

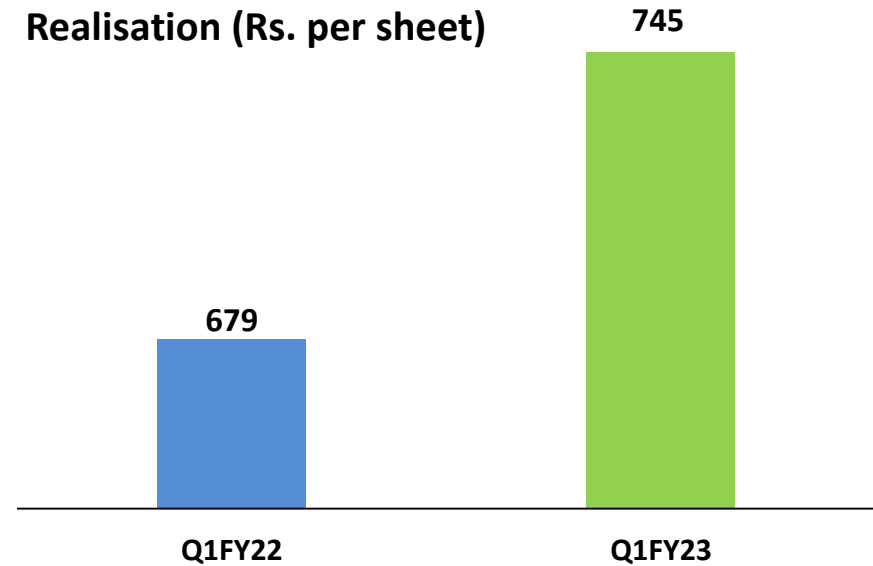
Board approved fund raising of upto Rs. 200 crores

Quarterly Segmental Highlights - Laminates

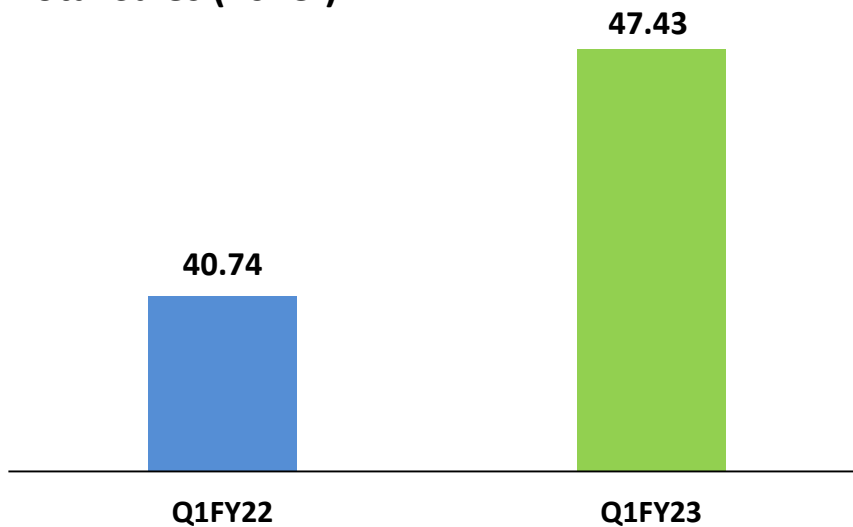
Volume Sales (lakh sheets)



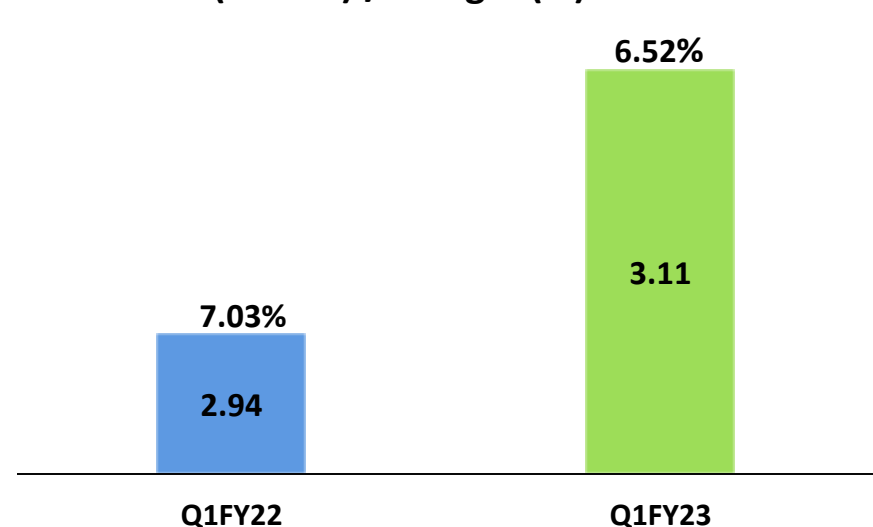
Realisation (Rs. per sheet)



Total Sales (Rs. Cr)*



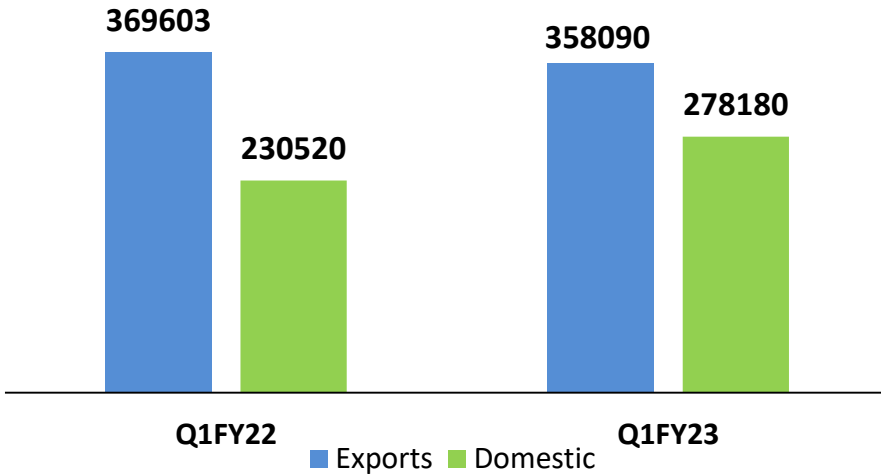
EBITDA# (Rs. Crs) / Margin (%)



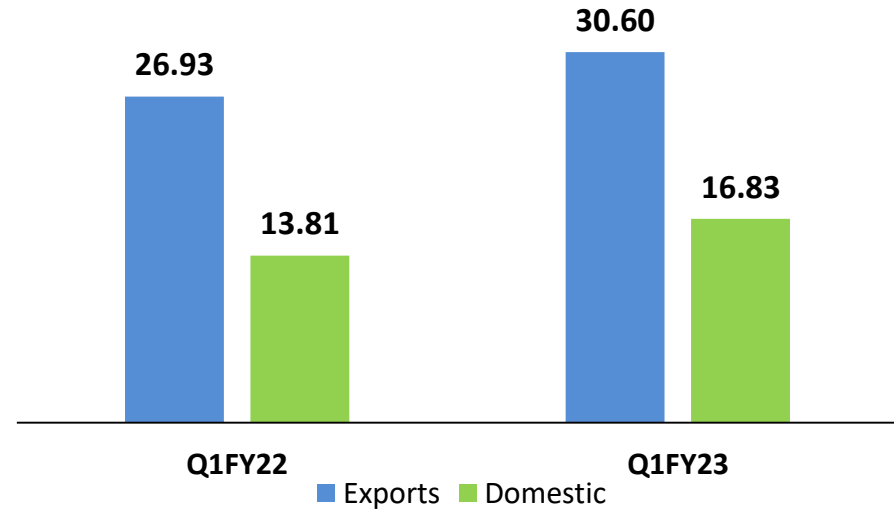
*Does not include inter segment revenue

Quarterly Highlights – Laminates Geographical Break-up

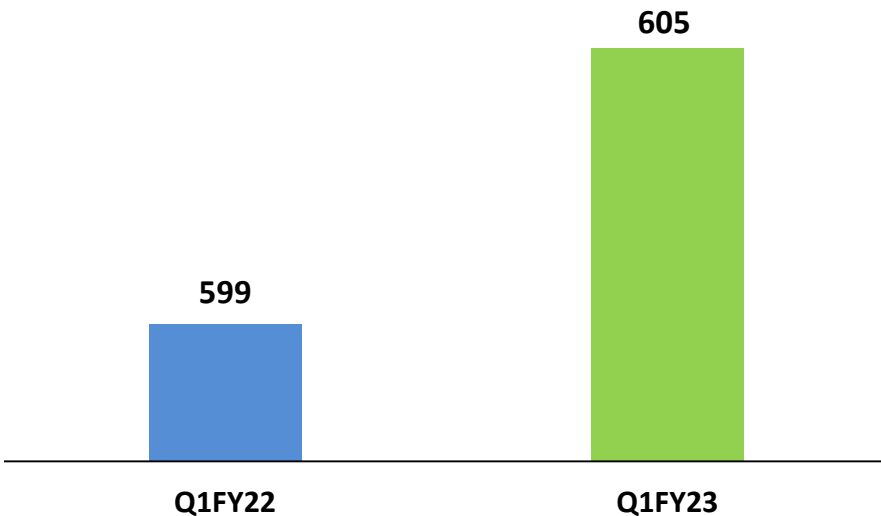
Volume (lakh sheets)



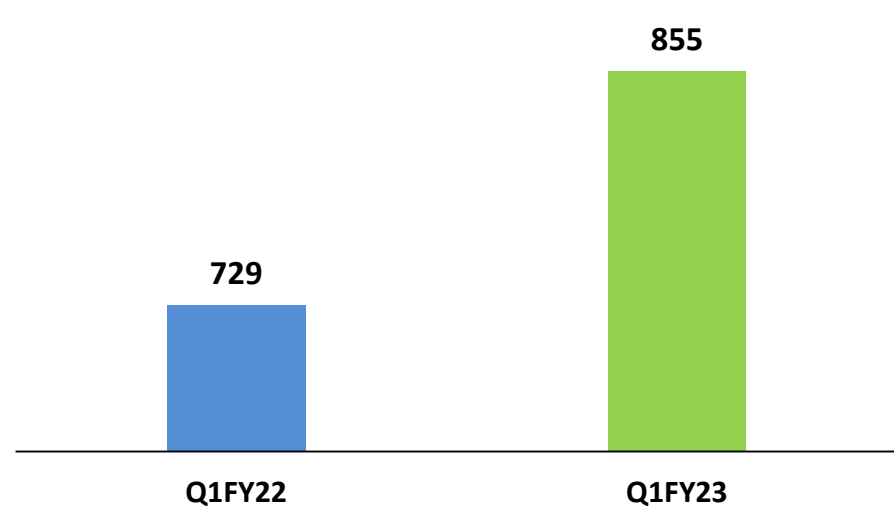
Value (Rs. Cr)



Domestic Realisation (Rs. per sheet)

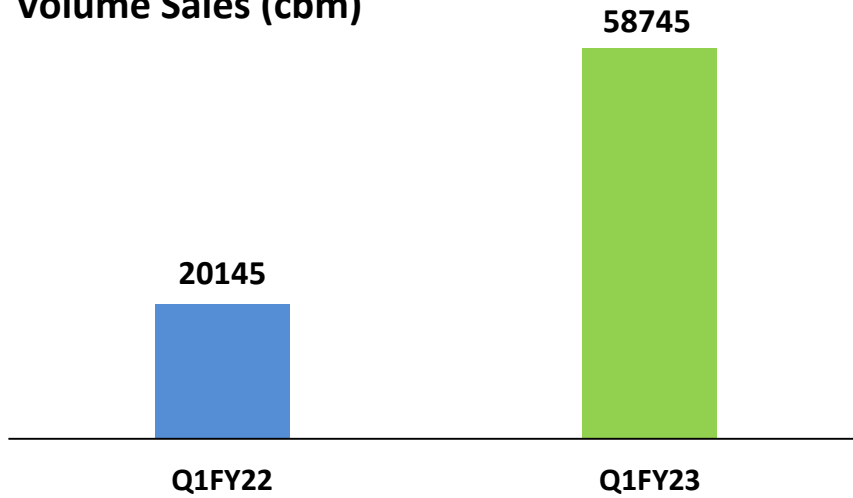


Exports Realisation (Rs. per sheet)

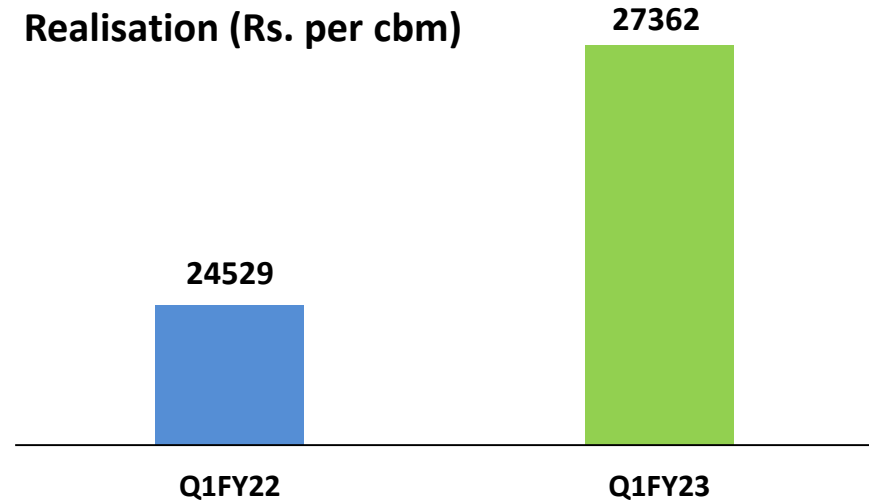


Quarterly Segmental Highlights - MDF

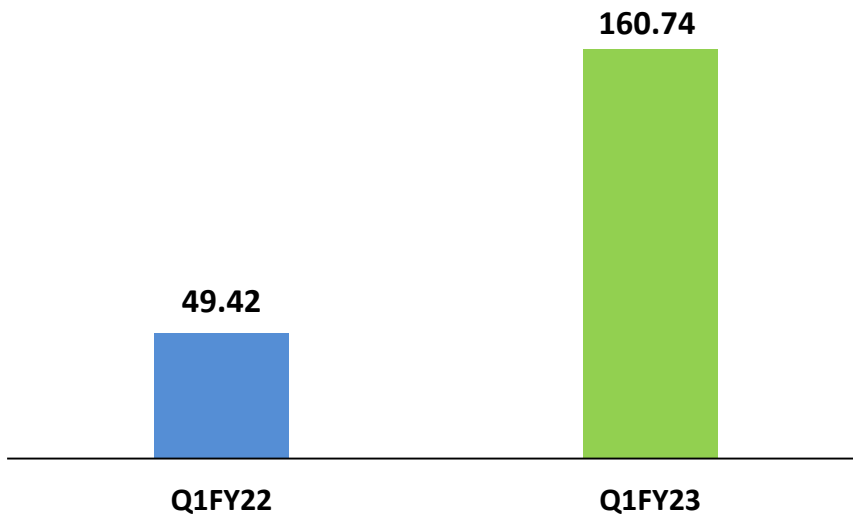
Volume Sales (cbm)



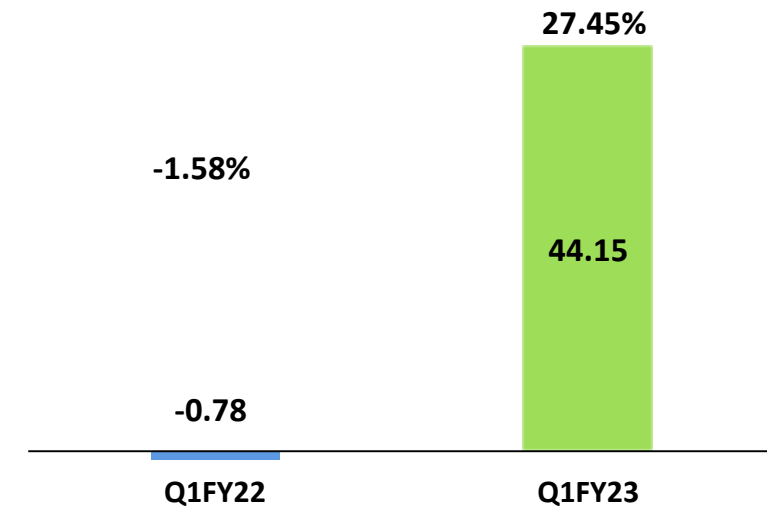
Realisation (Rs. per cbm)



Total Sales (Rs. Cr)*



EBITDA# (Rs. Cr) / Margin (%)

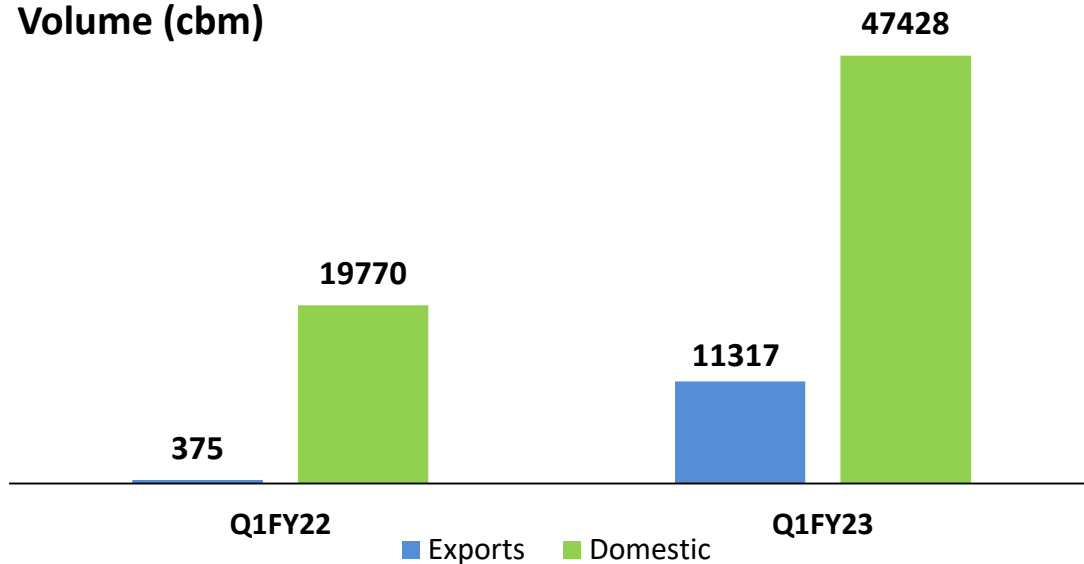


*Does not include inter segment revenue

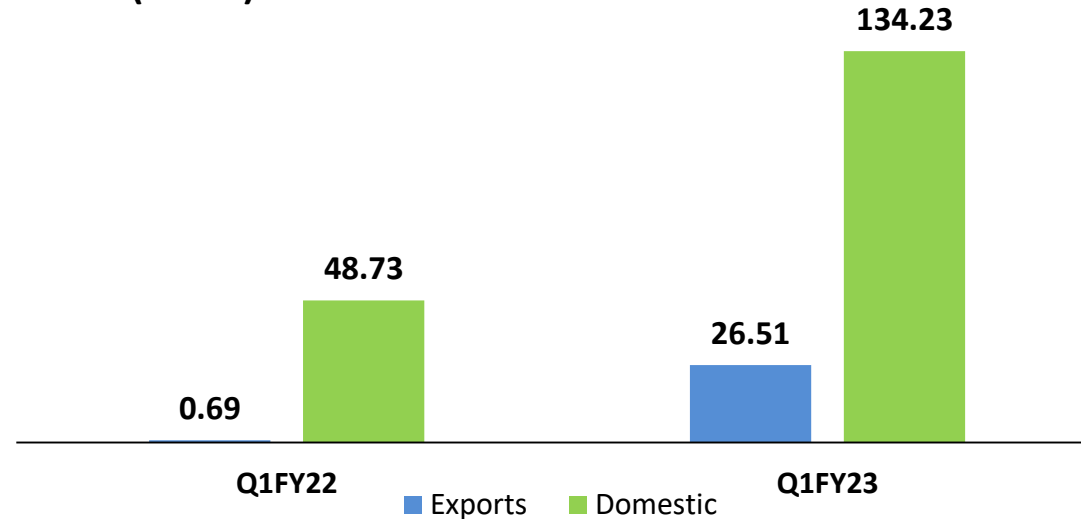


Quarterly Highlights – MDF Geographical Break-up

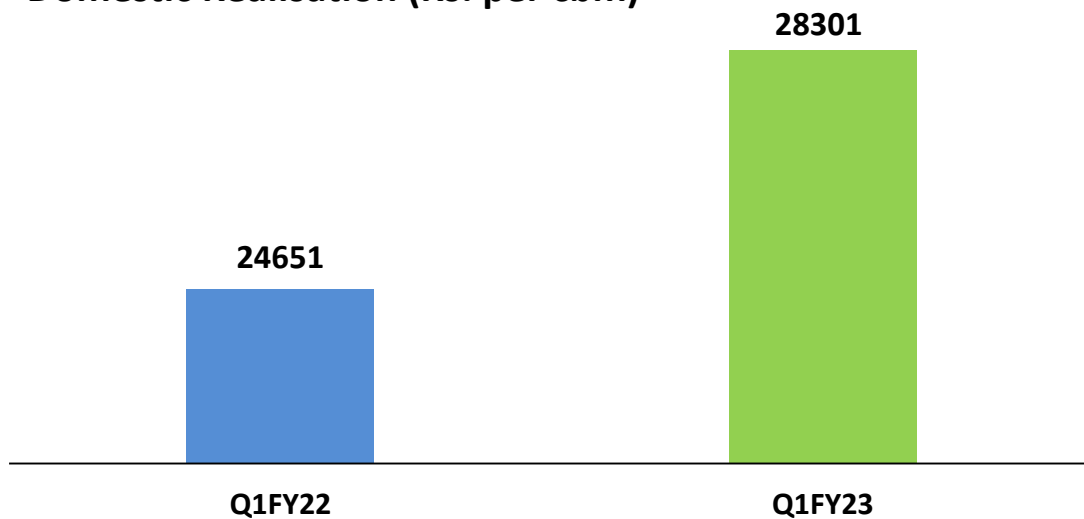
Volume (cbm)



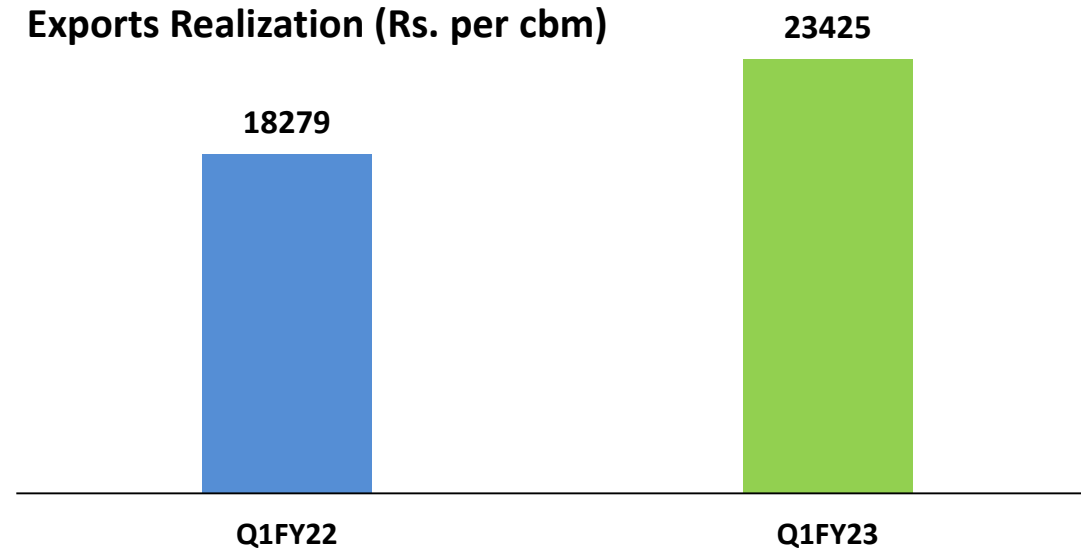
Value (Rs. Cr)



Domestic Realisation (Rs. per cbm)



Exports Realization (Rs. per cbm)





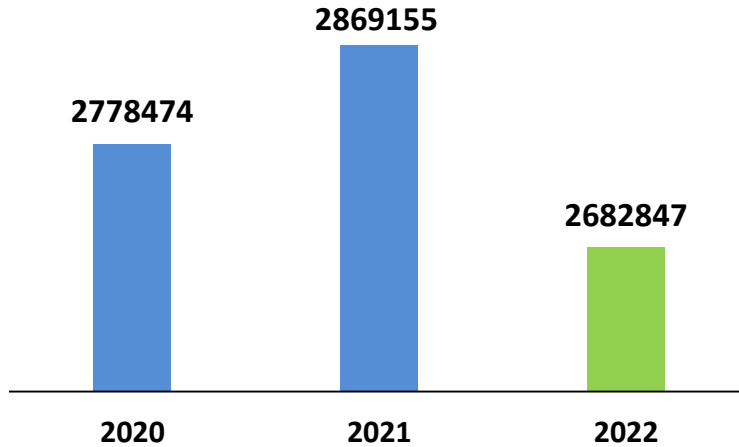
Quarterly Highlights

Rs. Crore	Q1 FY23	Q1 FY22	Y-o-Y (%)
Total Income	210.78	90.99	131.65%
EBITDA	47.52	1.51	3056.32%
EBIDTA Margin (%)	22.55%	1.65%	2090 bps
Depreciation	6.12	5.90	
Interest	4.87	5.88	
Profit Before Tax	36.71	(10.09)	463.89%
Profit After Tax	27.20	(7.58)	458.71%
PAT Margin %	12.91%	(8.33%)	2124 bps
Basic EPS (in Rs.)	13.66	(3.81)	458.53%

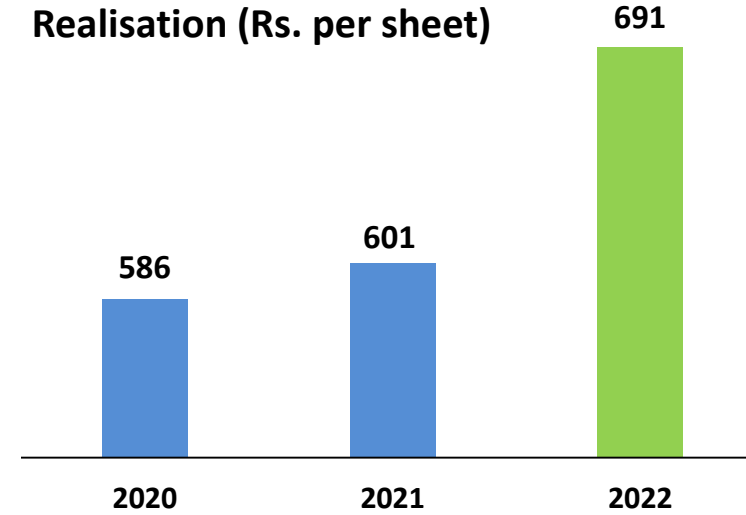
- ↑ Higher export volumes and realisations recorded in this quarter
- ↑ Revenue growth driven by higher sales volume and better realisations due to higher exports and incremental contribution from value addition
- ↑ EBITDA improvement on account of above factors, improving cost efficiencies and higher capacity utilization at AP plant

Annual Highlights – Laminates

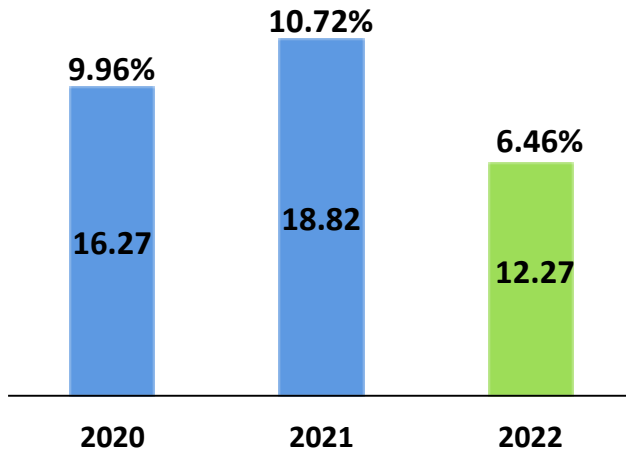
Volume Sales (lakh sheets)



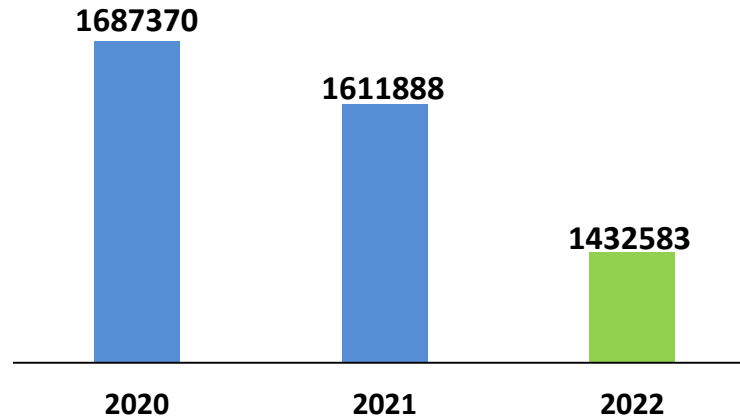
Realisation (Rs. per sheet)



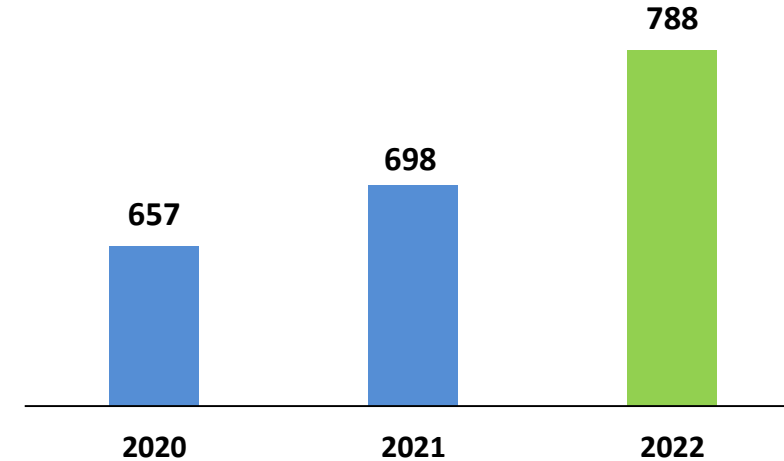
EBITDA# (Rs. Crs) / Margin (%)



Export Volume (lakh sheets)

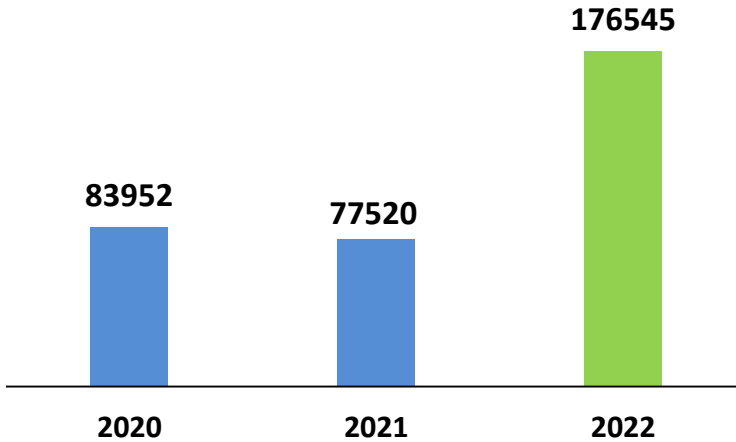


Export Realisation (Rs. per sheet)

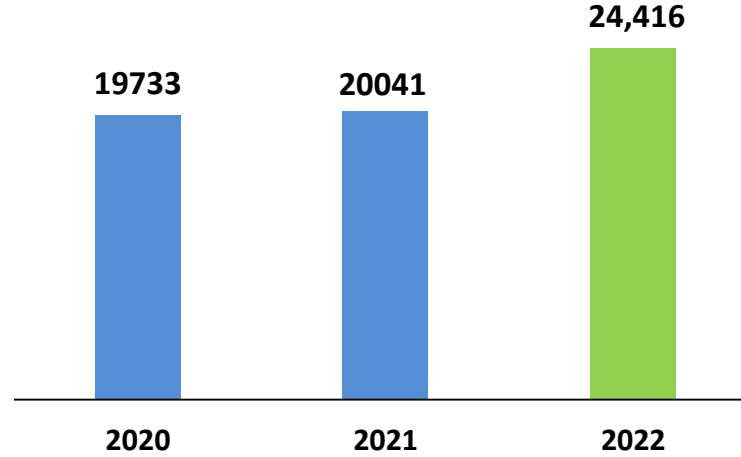


Annual Highlights – MDF

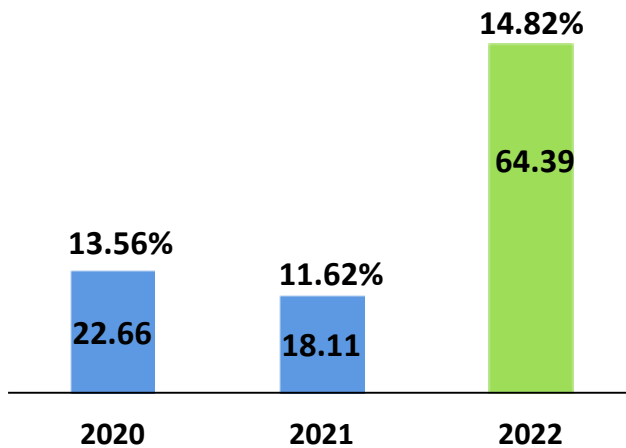
Volume Sales (cbm)



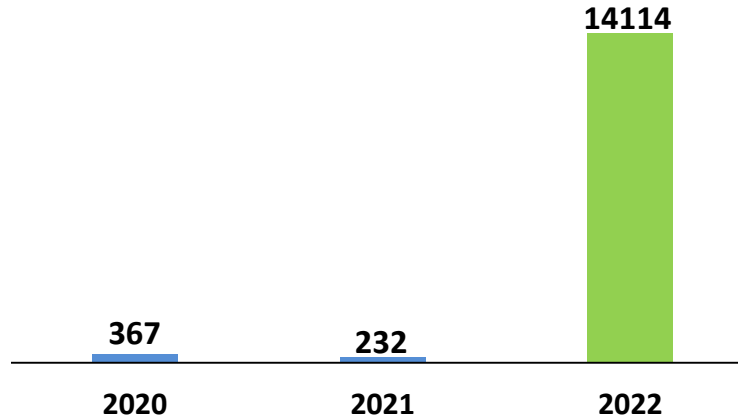
Realisation (Rs. per cbm)



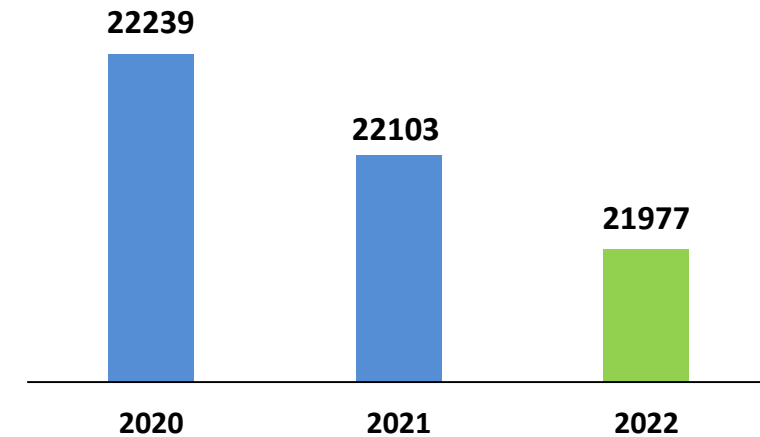
EBITDA# (Rs. Crs) / Margin (%)



Export Volume (cbm)



Export Realisation (Rs. per cbm)





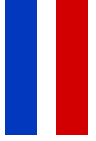
Annual Financial Highlights

Rs. Crore	FY22	FY21	Y-o-Y (%)
Total Income	624.17	335.44	86.07%
EBITDA	73.94	34.97	111.43%
EBIDTA Margin (%)	11.85%	10.43%	142 bps
Depreciation	24.37	9.73	
Interest	20.31	12.42	
Profit Before Tax	30.68	18.66	
Profit After Tax	22.80	13.72	66.23%
PAT %	3.65%	4.09%	(44 bps)
Basic EPS (in Rs.)	11.45	8.11	41.18%

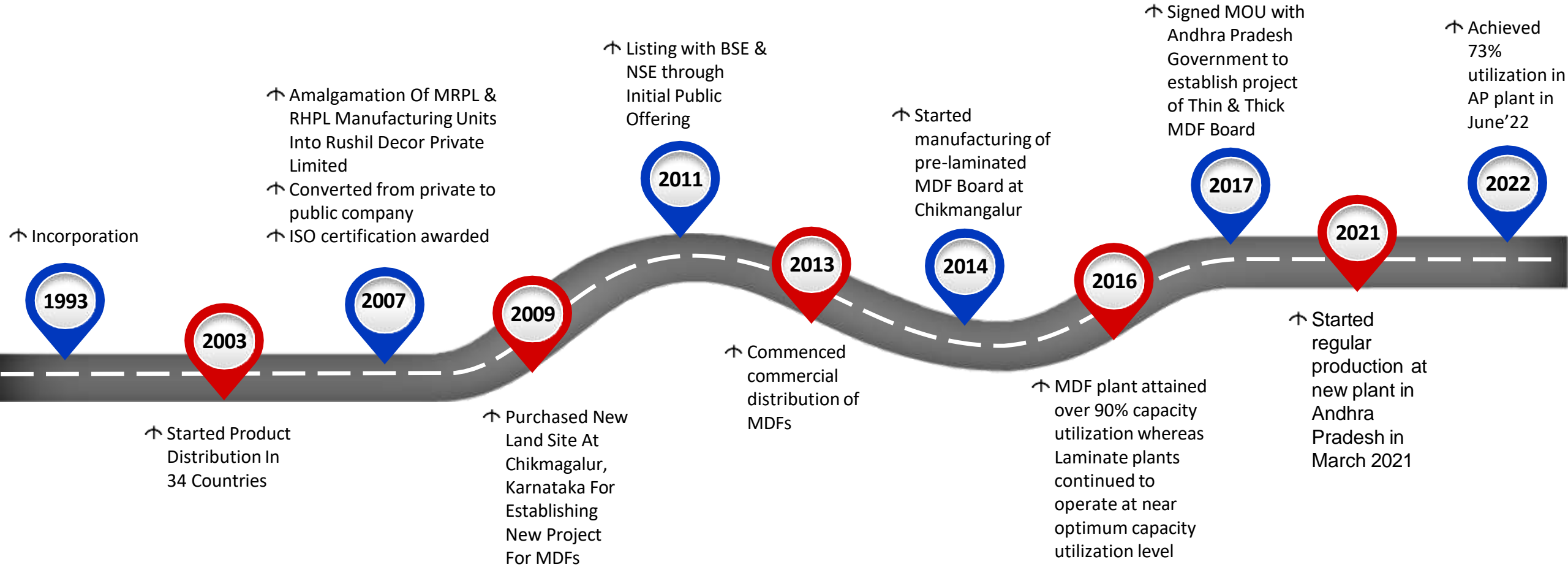
- ↑ Commencement of production at new plant in Andhra Pradesh, in March'21, led to significant volume growth in MDF segment in FY22
- ↑ Revenue growth driven by a combination of higher volumes from MDF segment and better realisations across segments
- ↑ Higher EBITDA Margin factor of better realisations and higher operational efficiency
- ↑ PAT margin impacted due to higher depreciation
- ↑ Board recommended final dividend of Rs. 0.50 per share



**Company
Overview**



Milestones



30 years of Growth & Experience

Strong & Experienced Management Team



Shri Krupeshbhai G. Thakkar – Chairman

- ↗ Experience in industry of laminated sheets and allied items
- ↗ Conferred with several accolades which include “Rajiv Gandhi Shiromani Award” and “Indira Gandhi Sadbhavana Award” in 2007 for his achievement in his field of work and contribution to the Nation
- ↗ Promoter of Company and appointed as Chairman w.e.f. 13th August 2021



Shri Rushil Krupeshbhai Thakkar – Director

- ↗ Associated with Company since last 8 years
- ↗ Completed Bachelor of Commerce from Gujarat University
- ↗ Online certificate course in MBA Essential from “The London School of Economics and Political Science”
- ↗ Appointed as Director w.e.f. 13th August 2021



Shri Keyur M. Gajjar – Chief Executive Officer

- ↗ Associated with Company since last 16 years
- ↗ Holds degree of Bachelor of Engineering and Masters In Business Administration



Shri Hiren Padhya – Chief Financial Officer

- ↗ Over 28 years of experience including 21 years in leadership role
- ↗ Successfully handled many IPO, Acquisition and Merger/Demerger, Overall Post IPO Compliances including Taxation, Banking Finance, Budget, Accounts, Auditing and setting up SEZ operations



Shri Hasmukh K. Modi – Company Secretary

- ↗ Associated with Company since last 14 years
- ↗ Completed Bachelor of Commerce, hold degree of Company Secretary from ICSI in year 2003
- ↗ Completed ICMAI in 2011



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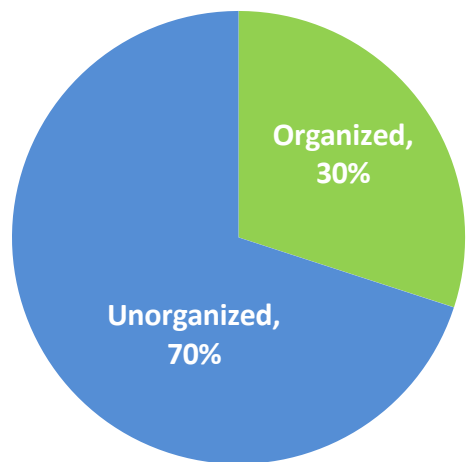
Industry Overview





Huge opportunity in Laminates & MDF

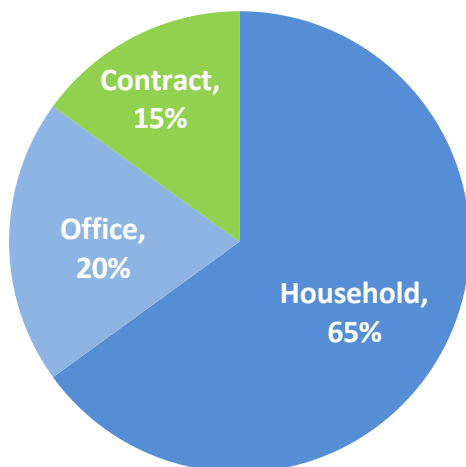
Percentage share of organized / unorganized furniture industry



Laminates Industry Snapshot

- ↑ Consumption of Indian panel products has grown at CAGR of 15-20% for organised segment
- ↑ Increasing consumerism and urbanization are key growth drivers

- ↑ Industry size – INR 6,000+ crore
- ↑ 40% organized sector
- ↑ 60% unorganized sector



MDF Industry Snapshot

- ↑ ~33% of India's requirement met through imports from China, Malaysia, Thailand and Sri Lanka
- ↑ Significant advantages over plywood spurring popularity

- ↑ Industry size – INR 5,500+ crore
- ↑ CAGR of 15% - 20% presently

Source:

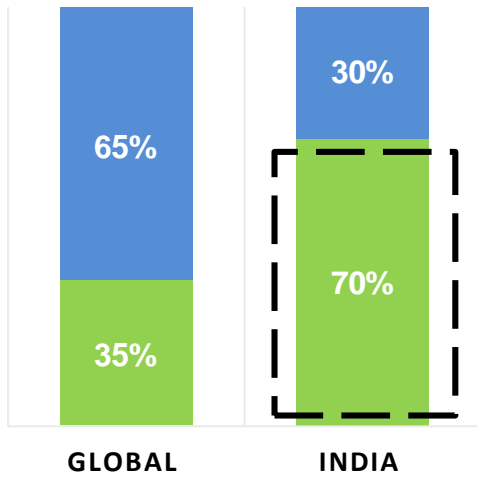
• https://economictimes.indiatimes.com/articleshow/52285252.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst



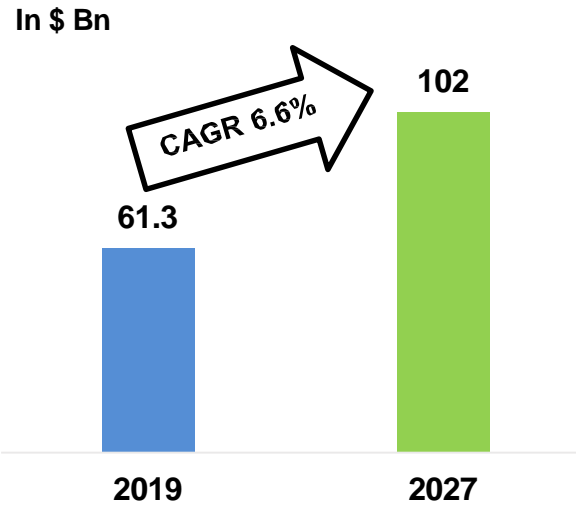
Furniture of the Future: Made with MDF

MDF v/s Plywood Consumption

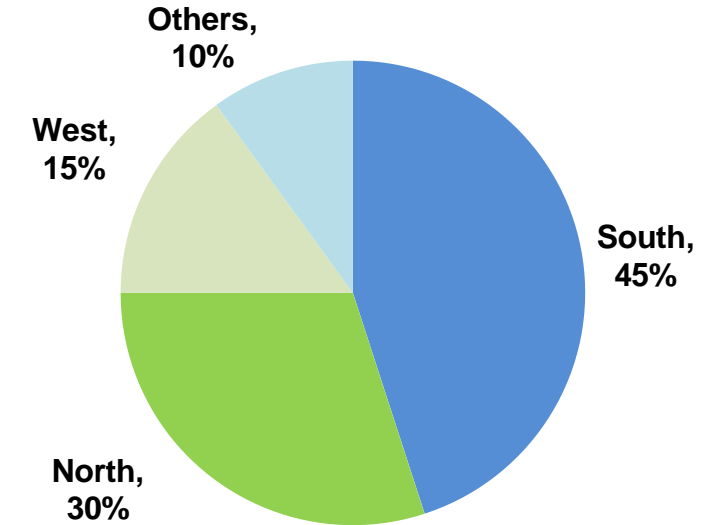
■ Plywood ■ MDF



Global Size of MDF market*



Regional Demand for MDF in India



China's MDF consumption
50 million CBM



Huge penetration opportunity India's
MDF consumption

2.8 million CBM

Plywood replacement opportunity – MDF

Total Indian Plywood market:

INR 180 billion



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**Way
Forward**



Way Ahead

Aggressive Marketing through Dealer Network expansion & Promotional Activities

- ↗ Opening new marketing offices, appointment of new distributors
- ↗ Smaller towns are emerging realty hubs - intend to capitalize on these opportunities



Reaching Optimum Capacity Utilisation and Achieving Higher Efficiencies

- ↗ Set up resin plant for higher cost control and target lower transportation cost
- ↗ Value Added products – target to achieve 40% in one year from 25% in FY22

Thank You

For further information, please contact:

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